ome 150 years ago Cincinnati stood tall among great cities of the United States. It served as an important pathway for Americans seeking greater prosperity and freedom. For pioneers like Lewis and Clark, Cincinnati was an important supply station on the way to the West. For African Americans seeking to escape slavery, Cincinnati and its Underground Railroad were important conduits to freedom.

Over the years, the Cincinnati area has grown into a thriving metropolitan region that encompasses jurisdictions in three states. The region is regarded as one of the most livable in the country—ranked in the top ten by *Fortune Magazine*—and has experienced strong economic growth, low unemployment, and high per capita income for most of the 1990s. However, amidst overall prosperity are Cincinnati neighborhoods with some of the most serious and unrecognized poverty in the United States. Today, far too many inner-city Cincinnati residents have been left behind as others in the region have moved forward.

This comes clearly into focus when conditions in Cincinnati are compared with the 75 largest cities in the country. Cincinnati has the:

- 12th highest rate of poverty (24.3%);
- 9th lowest median household income (\$21,006);
- 9th greatest population loss during the 1990s (-5%);
- 6th lowest percent of new homes built between 1980 and 1990; and
- 9th lowest home ownership rate (35%).

In fact, there are only four cities in the U.S. not already designated as federal Empowerment Zones that have both a greater number and percentage of people in poverty than Cincinnati. In addition, a greater percentage of Cincinnatians are in poverty than in Washington, DC, Boston, Pittsburgh, Kansas City, Denver and Oakland.

The conditions in the proposed Empowerment Zone—an area of nine neighborhoods stretching from the Ohio River to the upper basin hills—demonstrate the severity of need. Approximately 47% of the 49,877 residents live below the poverty level; 15% are unemployed; 73% of the residents are

#### A Surprisingly High Poverty Rate

- Cincinnati ranks 49<sup>th</sup> in population, but has the 12<sup>th</sup> highest poverty rate of the 75 largest cities in the nation. Twenty-four percent of all Cincinnati residents live in poverty.
- Cincinnati has a higher poverty rate than New York, Chicago, Los Angeles and Baltimore.
- A greater percentage of Cincinnatians live in poverty than in Washington DC, Boston, Pittsburgh, Kansas City, Newark, Denver and Oakland.
- Only four U.S. cities not already designated as an EZ-New Orleans, El Paso, Miami and St. Louis-have both a higher poverty rate and a greater number of persons living in poverty than does Cincinnati.

#### Profile of the Cincinnati Empowerment Zone

- 49,877 population
- 47% poverty rate
- \$10,877 median income
- 73% African American
- 15% unemployment
- 44% adults with no high school diploma
- 50% of households have no vehicle available
- 18% home ownership rate

Source: 1990 Census

#### A Process Initiated by Cincinnati's Neighborhoods

It was not city government, the business community, or United Way that first signaled the opportunity to pursue EZ designation. It was a group of community leaders in the Avondale neighborhood.

They rallied residents from eight other neighborhoods and formed an EZ planning group. Their efforts were recognized by City Council on July 1, 1998, when they directed City government to join forces with residents and other key stakeholders across the region to obtain designation

African American; the median household income is \$10,877; only 18% of homes are owner occupied; and 50% of the households have no access to private transportation. This is in contrast to the metropolitan region where the poverty rate is 11%; unemployment is under 3.7%; 13% of the residents are African American; the median household income is \$30,691; 35% of all homes are owner occupied; and 87% of the households have access to private transportation.

As Cincinnatians across the region have joined with inner-city residents to undertake the strategic planning process for the EZ application, we have realized that if need alone were the criteria for designation, Cincinnati would have very little competition. However, Cincinnati residents and organizations understand that EZ designation can only go to those communities that have developed bold visions, goals and programs that lead directly to outcomes that improve economic and social conditions for Zone residents.

We also understand that federal government resources cannot achieve successful outcomes alone, nor can the sole efforts of community residents or city hall. Instead, success is dependent upon all stakeholders throughout the region coming together as partners, willing to commit significant local resources to improve the lives of fellow citizens. We are a community of partners poised to take immediate actions to build better pathways to prosperity so that no one in Cincinnati is left behind.

#### Community Residents: Catalysts for Change

Cincinnati is known as a city of neighborhoods. It also is known for the strong community groups that lead and work in the neighborhoods. In fact, Cincinnati lays claim to some of the country's oldest and most capable community development corporations.

It should be no surprise to learn that a group of Cincinnati neighborhoods was the catalyst for the Empowerment Zone application. As is described in more detail later, Cincinnati's EZ strategic planning process was community initiated and driven from the outset. It was not city government, the business community, or United Way that first signaled the opportunity to pursue EZ designation. It was a group of community leaders in the Avondale neighborhood that first heard President Clinton's commitment to a new round of EZ designations in his 1998 State of the Union address.

From that point, neighborhood residents followed all federal announcements and activities concerning the EZ program. During the spring of 1998 they also rallied residents of other Cincinnati neighborhoods, resulting in a significant grassroots effort that culminated in the formation of a neighborhood-based EZ planning group. The results of these activities were ratified by Cincinnati City Council on July 1, 1998, as it approved the general areas within the City to be included in the EZ and directed City government to join forces with the residents and other key stakeholders across the region to obtain designation. This resulted in the formation of the EZ Community Partners Group, which undertook an extensive campaign to recruit and include the region's full array of local, private, public and non-profit entities into the EZ process.

## Strategy to Reality: The Enterprise Community Plan

The people and partners of Cincinnati offer this application as our commitment to improve the lives of those living in some of Cincinnati's poorest neighborhoods. We know that to some in Washington, D.C., this submission may be considered a long shot, because Cincinnati was not selected four years ago to become an Enterprise Community. However, the residents of the greater Cincinnati area urge the federal government not to discount our community's application because of our non-EC status. Cincinnati is proof that the Enterprise Community strategic planning process had value in itself, even without designation.

While the vision and aspirations of Cincinnati's neighborhood residents were the catalysts for this application, it is also the product of four years of work that followed the community's 1994 EC application. That strategy included a number of initiatives to address the needs of Cincinnati's neighborhoods. The number one priority was the empowerment of community organizations and residents.

Today, Cincinnatians are proud to report that many of the ideas presented in that strategy are now a reality. These efforts signify a community committed to change:

 During the last four years, leading Cincinnati institutions have come together to develop and establish the Capacity Building Institute (CBI). Headquartered at Xavier University, the Institute is based on John McKnight's asset-based community development model, and provides training and technical assistance services to residents and

# An Enterprise Community Philosophy

We urge the federal government not to discount our community's application because of our non-EC status. Rather, we ask to be recognized as adherents to the Enterprise Community philosophy. This application and strategic plan are offered by the people and partners of Cincinnati as our commitment to improve the lives of those living in some of Cincinnati's poorest neighborhoods.

# Putting the Enterprise Community Philosophy

Into Action

- The Capacity Building Institute
- Cincinnati Neighborhood Action Strategy
- NDC Association
- Community Investment Partners Fund
- Cincinnati Metropolitan Housing Authority HOPE VI Project

- organizations serving Cincinnati's poorest neighborhoods. The CBI has worked in a number of neighborhoods included in the proposed Zone boundaries.
- residents to play a greater role in local governance matters, the City in 1995 created the Cincinnati Neighborhood Action Strategy (CNAS). Piloted in four neighborhoods the first year, the initiative created a process by which city staff work with representatives of Cincinnati's neighborhoods to insure that residents are engaged in the "front end" of decision making on city government matters. The success of the program has resulted in CNAS being operationalized in all 52 Cincinnati neighborhoods. This past year the process was broadened to encompass the city's budget-making process.
- As noted earlier, Cincinnati has some of the oldest and most capable Neighborhood Development Corporations (NDCs) in the country. The community also has had since 1979 a nonprofit association that provides technical assistance and training to its member NDCs. In the last three years, the NDC Association has expanded its technical assistance capacity. The group now offers organizational assessments to its members, which provide a written road map and recommendations on their strengths and weaknesses in management, community relations and accounting systems. Three Zone-based groups have made use of these services: Corryville Community Development Corporation, Franciscan Home Development, and the Walnut Hills Redevelopment Foundation.
- This year, several key local stakeholders demonstrated how Cincinnati's public and private sector can work together to address issues of inner-city poverty. Key community stakeholders—Fifth Third Bank, The Greater Cincinnati Foundation, Proctor and Gamble, and the United Way and Community Chest of Greater Cincinnati—created a \$2 million initiative (Community Investment Partners) to spearhead and finance comprehensive development activities in three urban Cincinnati neighborhoods. On September 16, 1998, the Partners announced the three communities that will

receive \$500,000 over the next five years, as well as training and technical assistance for their development programs. One of the selected communities—Walnut Hills—is a neighborhood in the area of the proposed Empowerment Zone.

 Over the past several years, the Cincinnati Metropolitan Housing Authority (CMHA) has undergone a major transformation. CMHA, once considered one of the least effective public housing authorities in the country, is now recognized as one of the best. The U.S. Department of Housing and Urban Development recently expressed its confidence in CMHA by awarding a HOPE VI grant of \$31 million.

These are just a few examples that represent the impetus for change sweeping Cincinnati. Each is focused on empowering and strengthening the capacity of community residents and organizations. They signify the degree to which various community stakeholders—residents, foundations, government, and private business—have overcome a balkanized environment to become partners seeking solutions to the problems of inner-city poverty.

This is not, however, enough to fully chart a new direction for Cincinnati's neighborhoods. Cincinnatians understand that. That is why today the greater community is embarked on a number of important initiatives that are designed to bring a greater prosperity to all within the region, including Cincinnati's inner-city neighborhoods. It is also why the community is seeking to partner with the Federal government by obtaining Empowerment Zone designation.

#### The Foundations for Change

Cincinnati's leaders understand that bold and forward action is necessary if the region is to continue to prosper and the central city is to thrive. In the last several years, these leaders have taken a number of actions that demonstrate their commitment to change, while at the same time honoring the area's history and culture.

For example, to help celebrate and commemorate the historic actions of the Underground Railroad, as well as develop another cultural and tourism asset, the community is investing \$80 million in a new National Underground Railroad Freedom Center Museum that will be located in the

#### Impetus for Change

Community stakeholders residents, foundations, government, and private business—have overcome a balkanized environment to become partners seeking solutions to the problems of inner-city poverty.

#### A Commitment to Change While Honoring Our History and Culture

- The Underground Railroad Museum
- Findlay Market Renovation
- Metropolitan Growth Alliance
- Chamber of Commerce "Partnership for Greater Cincinnati"
- Port Authority for Brownfields Redevelopment
- Light Rail System connecting the Zone to the region

City. Although efforts like this are designed to benefit the entire region, they also provide a foundation for the empowerment of Cincinnati's poorest neighborhoods. This linkage is demonstrated in many of the programs in the Cincinnati Implementation Plan.

Of particular note are the actions taken by Cincinnati's private businesses, governments and key institutions to insure that Cincinnati is well positioned to compete in a global economy. Equally impressive is the level of public and private investment that accompanies these actions.

- In 1997, regional business leaders joined forces to create the Metropolitan Growth Alliance (MGA). Their purpose is to examine the economic and social needs and opportunities of the greater Cincinnati area in order to better prepare the region for global competition in the 21st Century. The effort is also supported by the Greater Cincinnati Foundation. The MGA has taken actions to insure that the process is inclusive of all residents in the Cincinnati area. A set of "opportunity analysis" charettes were held during the last week of September, and specific efforts were successfully made to include Zone neighborhood representatives in the process.
- This year the Greater Cincinnati Chamber of Commerce established a new "Partnership for Greater Cincinnati" that links economic development organizations in the three-state region in a collaborative effort to promote and advocate for economic growth and business retention, as well as to alleviate the regional shortage of workers. The Partnership is designed to replace a fragmented approach among various local development organizations with a regional and cooperative approach to economic development.
- In 1997 the City of Cincinnati and Hamilton County created a joint Port Authority for Brownfields Redevelopment. This represented a significant step on their part, as it was the first time in the region that multiple jurisdictions had collaborated to advance opportunities for sustainable development. Even more significant was the fact that the City and County joined with the Institute for Advanced Manufacturing Sciences (IAMS) and the Greater Cincinnati Chamber of Commerce to successfully obtain a \$200,000 U.S.

#### Our Declaration

In submitting this application for federal Empowerment Zone designation, Cincinnatians are declaring that we have a foundation that can carry the region forward into the 21st Century.

In partnership with the federal government and all stakeholders across the region, we can take the actions to insure that our future pathways to prosperity leave no one bobing

- Environmental Protection Brownfields Pilot grant, which was matched by \$200,000 in City funds.
- In addition to these important policy and programmatic actions, a number of significant capital investments have been made or are planned that provide a solid foundation for future economic growth. Over the past five years, \$700 million was invested in the International Airport, which is now ranked as one of the top ten gateways in the world and is the fastest growing airport in the U.S. The City of Cincinnati and Hamilton County are supporting a \$848 million investment in two new sports facilities that will be located in downtown Cincinnati. Key regional employers such as The University of Cincinnati and Children's Hospital Medical Center will invest \$122 million and \$12\* million, respectively to expand their facilities. These employers are also located in the proposed Zone. Also planned are a \$300 million dollar expansion of Cincinnati's downtown Convention Center and the development of a \$1.2 billion light rail system that will connect Zone neighborhoods to the region, including the airport.
- It is also important to note that the state of Ohio has acknowledged Cincinnati's needs and opportunities for the future. This summer, the State extended Cincinnati's state Enterprise Zone designation area to encompass all of the territory included in the proposed Empowerment Zone, and has also committed \$10 million to implement Phase I infrastructure improvements to assist with the redevelopment of the Conrail site.

These efforts represent major steps toward a more integrated approach to development across the Cincinnati region. However, even collectively, they may only have a modest impact unless consciously developed and used with the needs of neighborhood residents in mind. In submitting this application for federal Empowerment Zone designation, Cincinnatians are declaring that we have a solid foundation that can carry the region forward into the 21st Century.

### The Vision and Strategies for Change

The citizens of greater Cincinnati have worked diligently to create an Empowerment Zone strategy that will benefit the residents and neighborhoods of the proposed nomination area. We recognized from the outset that the challenge before

# Principles of the Community Partners Group for the EZ Strategic Plan

- 1. A focused set of realistic programs.
- Ties the Zone to the greater region, while benefiting the Zone.
- 3. Commits key Zone and regional stakeholders as a result of true collaboration
- 4. Programs grounded in measurable outcomes.
- 5. Leverages new and substantial local resources.
- 6. Embraced by the community and ready for implementation.

us was unlike any other in the past and, thus, our approach to this effort would be different.

To guide our efforts, the Community Partners Group accepted six principles to drive the strategic planning process and the creation of a meaningful Implementation Plan. They provided the criteria by which the group evaluated its work.

- 1. A plan that is comprised of a focused set of realistic initiatives (i.e., projects/programs) that are linked to the achievement of identified goals.
- 2. A plan that ties the Zone to the greater region and demonstrates that proposed actions benefit Zone residents, businesses and neighborhoods.
- 3. A plan that commits key Zone and regional stakeholders to the effort and is the product of a true collaboration of all involved parties.
- 4. A plan that develops initiatives (i.e., projects/programs) grounded in measurable outcomes that can lead to tangible results.
- 5. A plan that leverages substantial resources and is backed by solid commitments of all key stakeholders.
- 6. A strategy that is embraced and endorsed by the Zone community and private sector and political leaders and is ready for implementation.

Accepting these principles signified a significant shift from past development efforts in Cincinnati. For the neighborhoods in the Zone this meant that they had to work together to develop a strategy for economic prosperity, rather than working as nine independent neighborhoods. For some this literally meant dispelling the notion that the \$100 million EZ grant was to be divided among nine neighborhoods. It also meant that the neighborhoods had to develop real partnerships with other stakeholders, particularly those stakeholders who had very little contact with urban neighborhoods. And for those stakeholders from outside the Zone, it meant that they had to engage in a common dialogue on equal terms with individuals and organizations that they knew little about. Trust became a key element of the process.

Building on these principles, as well as a community assessment of the strengths and weaknesses within the Zone, the Community Partners Group examined the values and dreams that should drive the strategic plan. Together they

#### Partners Building Pathways To Prosperity While Leaving No One Behind

We envision a vibrant and self-sustaining "community of unity" in which well-educated children and families can develop and mobilize their potential and secure their future by building personal and community wealth.

We will do this through:

- Empowerment and skillbuilding;
- Financial and human capital and asset development;
- Holistic service delivery systems and multiple paths to access services; and
- Early intervention and prevention.

endorsed the following theme and vision for the EZ strategic plan:

Theme: Partners Building Pathways to Prosperity While Leaving

No One Behind

Vision: We envision a vibrant and self-sustaining "community of

unity" in which well-educated children and families can develop and mobilize their potential and secure their future

by building personal and community wealth.

Important aspects of the theme and vision are incorporated in the design of Cincinnati's EZ programs as described in the Implementation Plan. These include strategies to empower Zone neighborhoods and residents to function cohesively to build community and individual assets; addressing early intervention and prevention, particularly for children and youth; and more effectively using and integrating existing resources. Perhaps most important is the strategy of "sustainable prosperity"—residents having an ownership stake in their future, in partnership with others in the region. The strategies are reflected in the following key programs in Cincinnati's plan:

Asset Building Through Home Ownership—To address one of the lowest home ownership rates in the country, a Home Ownership Center will be established to serve Zone residents. This effort will build from exiting capacity— National Reinvestment Corporation's NeighborWorks program and Cincinnati Neighborhood Housing Services. The Center will offer innovative financing, homebuyer and homeowner education and counseling and resources for home repair. An innovative Renter Equity program, to be implemented by Cornerstone Homesource CDFI, will be established to give low-income renters the financial advantages of ownership in a rental housing setting.

Neighborhood Engagement Training and Assistance—Using the expertise and capacity of the Xavier University's Community Building Institute, a comprehensive effort will be undertaken to improve the civic capital and civic infrastructure within the Zone. This will include leadership and community development training for board members of the EZ governing structure and the nine neighborhood councils, as well as training for community organizing, block club development, conflict/dispute resolution, etc. A related program is designed to assist the faith-based community in

#### Key Programs in the Cincinnati Plan to Build Pathways to Prosperity

- Asset Building Through Home Ownership
- Neighborhood Engagement Training and Assistance
- Zone Economic Empowerment Center
- Partnership for Workforce Competitiveness
- Children and Family Life Enrichment Network
- The Total School Partnership

becoming more involved in Zone community development activities.

Zone Economic Empowerment Center—In order to strengthen existing businesses within the Zone, and to help Zone residents to become business owners, a comprehensive business assistance center has been created. This initiative, which includes a proposal for a SBA One-Stop Capital shop, offers a variety of financing vehicles (e.g., micro-enterprise, venture capital) for business opportunities. It also co-locates business assistance resources from various programs to better serve the Zone.

Partnership for Workforce Competitiveness—To address the Zone's 15% unemployment rate in the context of a regional economy demanding more qualified workers, a consortium comprised of residents, businesses, and local employment and training providers will oversee the matching of Zone residents to job opportunities across the region. This initiative will capitalize on the 10,037 job commitments offered by regional employers as part of Cincinnati's EZ submission, and make use of the existing Career Resources Network Center.

Children and Family Life Enrichment Network—To address the needs of the 60% of Zone children who live in poverty and the Zone's high infant mortality rates, a Children's Life Enrichment Network will be established. The Network will place outreach workers in the community to work with children and families in need of health or social services. The Network will focus on prevention and a family-centered, holistic approach and will make home visits to pregnant women, infants, children and families at risk for child abuse, teen pregnancy and infant mortality. The program provide additional, coordinated service delivery systems for existing community health clinics and social service providers.

The "Total School" Partnership—This is a collaborative effort among the Cincinnati School District, service providers and the community to improve the quality of education in Zone neighborhoods. Team-Based Schools will be established that decentralize budget and decision-making authority to Local School Decision Making Committees, which include principals, teachers and parents. Partnerships between Zone school and businesses will be expanded. Comprehensive child care, before- and after-school programs, health services and other social services will be available on-site in order to create

#### A Solid Plan

The citizens of Cincinnati offer the federal government a detailed, integrated and well-developed plan. We recognize that we cannot do this alone, thus our involvement of numerous partners across the region. Multiple pathways will be needed if we are to truly leave no one behind.

a safe, 24-hour "family-friendly" school environment. The District will also make use of Qualified Zone Academy Bonds to finance their comprehensive capital improvements.

These are just a sample of the initiatives designed to build community and ownership within the Zone. They complement other initiatives such as the "Wire the Zone" effort; a reverse commute program; a proposed \$1.2 billion light rail system; a sector-based job training initiative to complement Welfare to Work efforts; the Port Authority's Brownfields effort; and the implementation of Weed and Seed projects across the Zone. They also link to a comprehensive tax incentive utilization plan that is directed at opportunities within the Zone and within the three proposed developable sites.

The citizens of Cincinnati offer the federal government a solid and integrated plan for building pathways to prosperity. We recognize that we cannot do this alone, thus our involvement of numerous partners across the region. We also understand that multiple pathways will be needed if we are to truly leave no one behind.

## A Commitment to Change

Cincinnatians have come to fully understand that essential to the success of any plan is the capacity and resources for implementation. We have examined the lessons from Round I and have used those experiences to guide our development of a governance structure that can effectively manage the EZ program. The goal and work of the EZ Governance Planning Group was explicit: develop a governance structure that can effectively direct and oversee the program on behalf of community residents and can do so immediately upon designation.

This goal has been achieved. The process has brought forth a structure and a set of operating principles and mechanisms that have been endorsed by all key stakeholders and include majority representation of the Zone community. We have debated and considered issues such as representation, voting, accountability, program delivery, staff, etc. We have come to a consensus and are now prepared to act. Designation will find a committed community ready to undertake the work at hand.

To demonstrate our commitment to act, we have taken the bold step of preparing for designation. On October 1, 1998, the Cincinnati

#### Poised to Move Ahead Quickly

- The Cincinnati
   Empowerment
   Corporation, the Zone
   governing body, was
   incorporated as a new
   non-profit on October 1,
   1998.
- Programs are built around the capacity of established, successful community institutions and organizations.
- Over \$2.2 billion of local resource commitments.

profit entity within the State of Ohio with the express purpose of managing Cincinnati's Empowerment Zone program.

Cincinnati is ready to act. We understand that we cannot

Empowerment Corporation (CEC) was incorporated as a new non-

Cincinnati is ready to act. We understand that we cannot spend the first year of designation creating new capacity to implement the plan. As such, many of the programs in the Cincinnati plan build upon the capacity of existing organizations, in collaboration with existing community-based groups and neighborhood residents. These include the Community Building Institute; NeighborWorks/Neighborhood Housing Services; University of Cincinnati Center for Economic Education; Cincinnati Bell; Cincinnati State; Southern Ohio Regional Transportation Authority; and Cincinnati Public School District.

The framework for Cincinnati's EZ program—the plan and governance structure—is now in place. Cincinnati, however, has gone one significant step further. The community has committed substantial resources to effectively implement and sustain the EZ program for the long term. These commitments are not only substantial as they total approximately \$2.2 billion, they are also real. As documented elsewhere, the commitments are signed by key executives of private businesses, major institutions, and local government. They provide detail on the level of commitment and the initiatives for which such commitments will be directed. These include:

- A commitment of 10,037 jobs for Zone residents.
- A commitment of \$400 million worth of local supplier opportunities for Zone businesses.
- A commitment of \$430 million of business and housing loans from local financial institutions.
- A commitment of \$700 of new capital investment in the Zone, with real potential for another \$1.2 billion for the proposed light rail.

In addition, there are a number of development efforts taking place in other distressed areas that are in immediate proximity to the Zone. These include the \$31 million HOPE VI grant for Lincoln Court and a \$11 million public/private investment for Consolidated Metals Products in Lower Price Hill that will result in the retention of 130 jobs and the creation of another 80 jobs. These efforts will not take place in isolation from the development within the Zone, but

#### We Ask Our Federal Partners To Join Us As We Move Forward

- 200 organizations have committed resources and support for the plan
- 10,037 jobs committed for Zone residents
- \$400 million of supplier opportunities for Zone businesses.
- \$430 million in financing for businesses and housing
- \$700 million in new capital investment in the Zone.

become an integral part of a community-wide effort to revitalize the distressed neighborhoods of Cincinnati.

All of these resources, along with the EZ funds, tax credits, bonding authority and other future commitments by federal, state and local government, as well as from private and philanthropic entities, are necessary to address the problems of the Zone. We are under no illusion that the challenge at hand is as simple as putting forth an application for designation. The barriers of poverty and unemployment are not easy to overcome. It takes hard work, creativity and commitment, all of which Cincinnati offers.

The real work starts now. We ask our federal partners to join us.